



Navigating the Export Administration Regulations (EAR)

?Subject to the EAR  License required?

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Navigating the EAR

Before you apply for a Bureau of Industry and Security (BIS) license, ask and answer the following pricele\$\$ questions

Is My Transaction Subject to the EAR?

Is a License Required?

Are License Exceptions Available?

How Do I Apply for a License ?



Is My Transaction Subject to the EAR?

*BIS regulates **exports, reexports** of items "**subject** to the **EAR**" in addition to **certain activities** of U.S. persons."*



WHY BIS AND THE EAR MATTER

BIS MISSION

Dual-Use Items

Authority for Export Controls

Export Control Regimes & Other Reasons for Control



Important EAR Terms and Concepts

§734.2



Item

Export

Reexport

Deemed Export/Release of Technology

Commerce Control List (CCL)

Export Control Classification Number (ECCN)

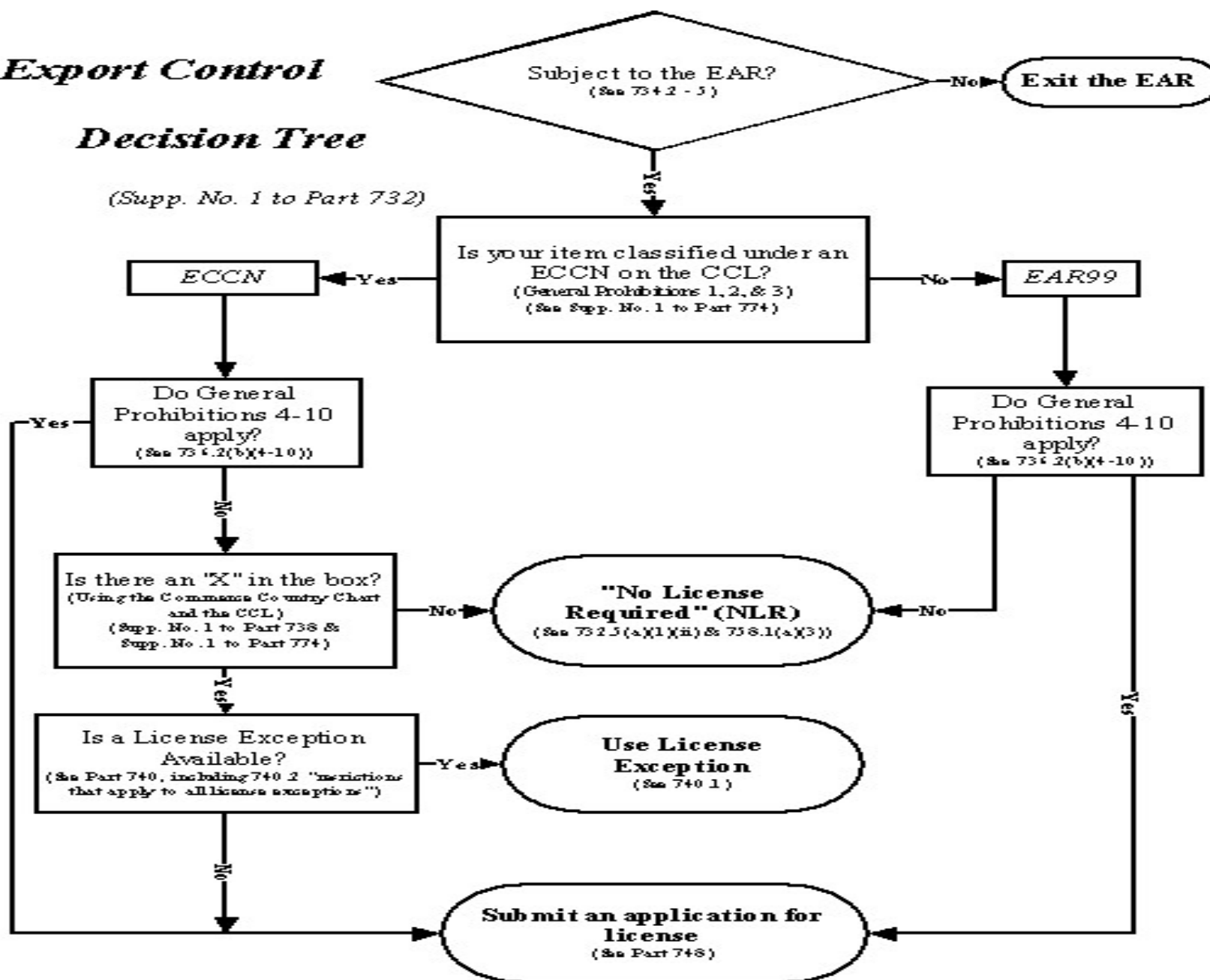
The scope of what is subject to the EAR



Export Control

Decision Tree

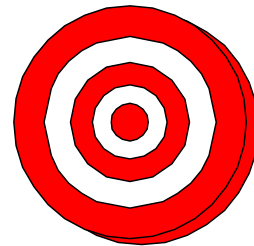
(Supp. No. 1 to Part 732)





Is a License Required?

Broad jurisdiction BUT...
narrow license requirements



Normal and unique aspects



THOSE OTHER IMPORTANT CONCEPTS

Commerce Control List ("CCL")

Supplement No. 1 to Part 774

The CCL contains lists of those items subject to the licensing authority of BIS

Each entry is called an ECCN

Most items are described in terms of their technical parameters

Export Control Classification Number ("ECCN"): What does it tell us?

Tools for Classifying the Item

The CCL

ECCN

Reasons for Control

The Commerce Country Chart



How to Read an ECCN entry

- Number and Heading
- License Requirements
- Reasons For Control
- License Exceptions (List-based)
- List of Items Controlled
 - Units
 - Related Controls
 - Related Definitions
 - Items



How can you obtain the ECCN of your item?

Ask the manufacturer, but verify...

Self-classify

Work with company engineer or someone who knows the item

Submit formal classification request to BIS

The BIS – OFAC classification connection



Helpful Hints for Self-Classification

Get started early classifying your items

Understand organization of CCL and approaches to classifying items

Understand the technical parameters of your item



How to Request a Classification

File using SNAP-R (or BIS-748-P)

"Best guess" ECCN

Maximum of six items per request

Item details: Manufacturer, Model/Part number, Applications, Specifications

Include detailed technical specifications
(Pictorial illustration, e.g. sales brochures)



Commerce Country Chart

Supplement No. 1 to Part 738

Reasons for Control/Country
Chart

If there is "X" in the box
it indicates a license
requirement

No "X" in the box indicates
no license requirement



Country Chart Structure Supplement 1 to Part 738

When the Destination and the Reason for Control Meet, Ask Yourself...
Is there an "X" in the box?

Reason
for
Control

Country

Commerce Country Chart																
Countries	Reason for Control															
	Chemical & Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Convention	Crime Control			Anti-Terrorism	
	CB 1	CB 2	CB 3	NP 1	NP 2	NS 1	NS 2	MT 1	RS 1	RS 2	FC 1	CC 1	CC 2	CC 3	AT 1	AT 2
Israel	X	X	X	X	X	X	X	X	X	X		X		X		
Italy	X					X		X	X							
Jamaica	X	X		X		X	X	X	X	X	X	X		X		
Japan	X					X		X	X							
Jordan	X	X	X	X		X	X	X	X	X		X		X		
Kazakhstan	X	X	X			X	X	X	X	X		X	X			
Kenya	X	X		X		X	X	X	X	X		X		X		
Kiribati	X	X		X		X	X	X	X	X		X		X		
●Korea, North	See Sections 742.19 and 746.4 of the EAR to determine whether a license is required in order to export or reexport to this destination.															
Korea, South	X					X		X	X	X		X		X		
Kuwait	X	X	X	X		X	X	X	X	X		X		X		
Kyrgyzstan	X	X	X	X		X	X	X	X	X		X	X			
Laos	X	X		X		X	X	X	X	X		X	X			
Latvia	X					X		X	X							



EAR99 Items

Items that are not specifically listed on the CCL yet subject to the EAR, use the designation EAR99 in place of an ECCN.

This designation may be found at the end of every category of the CCL:

"EAR99 Items subject to the EAR that are not elsewhere specified in this CCL Category or in any other category in the CCL are designated by the number EAR99."



REMEMBER:

Pay Close Attention When Determining License Requirements for embargoed and sanctioned destinations



No License Required ("NLR")

You may use NLR for:
EAR99 items, or
ECCNs where there is no "X" on the Country
Chart under reason(s) for control; **and**
When the transaction does not require an
export license based on any other licensing
requirement (e.g., end-use/user requirements)



Are License Exceptions Available?

Normal and unique aspects



What is a License Exception?

- Authorization to export or reexport without a license
- Part 740 of EAR provides details
- Each exception has a three letter symbol used for export clearance purposes (AES)
- Some require notification, review, or supporting documentation prior to use
- License Exceptions, for embargoed destinations, if any, should be in the respective provisions in Part 746



When can't you use a License Exception?

§740.2

- Authorization has been suspended or revoked
- Export subject to a General Prohibition that is not eligible for License Exceptions.
- Electronic Surveillance Equipment
- Crime control items to most destinations
- Most Missile Technology control items
- Embargoed destinations, in most instances

For Full list Refer to
§740.2





Summary - License Exceptions

Make sure your transaction requires a license (i.e. there is an "X" in the box), before reviewing the License Exceptions.

Before going to a specific license exception, make sure there are no restrictions. Read §740.2 then the individual License Exceptions. For embargoed destinations, go to Part 746.

Each exception is unique, make sure you meet of all of the criteria.



How Do I Apply for a License ?

Normal and unique aspects



Submitting a License Application...

Registering for the Simplified Network
Application Process Redesign (SNAP-R)

Who can apply?

Other Application and Submission Issues



How can I register for SNAP-R?

- Go to the PIN Request page and fill out either the "Company Certification Letter" or "Third Party Certification Letter" if you are a third-party submitter.
- Company certification is required
- Should receive user ID and PIN within approximately two weeks.

<http://www.bis.doc.gov/SNAP/pinsnapr.htm>



Who can apply?

For an export license: §748.4(a)(1)

- Only a person in the U.S. can apply for a license to export from the United States
- Types of export transactions:
 - Standard export transaction
 - Routed export transaction

For a reexport license: §748.4(a)(3)

- U.S. or foreign principal party in interest
- Other duly authorized U.S. agent of FPPI
 - agent must usually obtain written authorization from FPPI



REMEMBER:

**Unique Application & Submission
Requirements Applicable to Embargoed and
Sanctioned Destinations**



What is the status of my license application?... Who to call?

STELA
(202)482-2752
Enter Application Control
Number, using the number
"9" for the letter "Z"





Summary-How to Submit a License Application

- SNAP-R is only method of application submission
- Only a person in the United States may apply for an export license
- Unique Application and Submission Requirements, if Applicable



...How BIS Processes An Application



REMEMBER THESE PRICELESS QUESTIONS WHEN Navigating the EAR

Is My Transaction Subject to the EAR?

Is a License Required?

Are License Exceptions Available?

How Do I Apply for a License ?

And

*At What Points do BIS/EAR and OFAC
Intersect?*



HELPFUL BIS CONTACT INFORMATION

Outreach & Educational Services

Ph. (202) 482-4811 Fax (202) 482-2927
14th St. & Pennsylvania Ave. NW
Washington, DC 20230

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3300 Irvine Avenue, Suite 345
Newport Beach, CA 92660

Ph. (949) 660-0144
Fax (949) 660-9347

96 North 3rd Street, Suite 250
San Jose, CA 95112

Ph. (408) 998-8806
Fax (408) 998-8677